

**Application for Refund Due to the Carryback of Losses**Do **not** attach to Iowa return; mail in **separate** envelope.

<b>Corporation Name and Address</b> ▲      Check box if name, address, or Federal TIN has changed. <input type="checkbox"/> Phone No. (____) _____ - _____		<b>Federal T.I.N.</b> ▲				
			<b>Type of Tax</b> ▲ <input type="checkbox"/> Corporation <input type="checkbox"/> Franchise			
			<b>Loss Return for the period ended</b> ____/____/____ ▲ <b>Remaining to be carried forward</b> <input type="checkbox"/> Net Operating \$ _____ ▲ \$ _____ ▲ <input type="checkbox"/> Capital \$ _____ ▲ \$ _____ ▲ <input type="checkbox"/> Altr. Min. Tax \$ _____ ▲ \$ _____ ▲			
			<b>Federal Audit Involved</b> <input type="checkbox"/> YES <input type="checkbox"/> NO ▲			
<b>NOTE: The 3rd preceding year is used for losses in a Presidentially declared Disaster Area or for a Capital Loss</b>	<input type="checkbox"/> Disaster Area <input type="checkbox"/> Capital Loss 3rd preceding tax period ____/____/____ ▲		2nd preceding tax period ____/____/____ ▲		1st preceding tax period ____/____/____ ▲	
	as last reported on _____	after carryback	as last reported on _____	after carryback	as last reported on _____	after carryback
1. Net Income .....						
2. Iowa Capital Loss .....						
3. Capital Loss Subtotal (line 1 minus 2)						
4. 50% Federal Refund From Capital Loss						
5. Subtotal (Add lines 3 and 4) .....						
6. Nonbusiness Income .....						
7. Income Subject To Apportionment						
8. Iowa Percentage .....						
9. Income Apportioned To Iowa .....						
10. Iowa Nonbusiness Income .....						
11. Income Before Net Operating Losses						
12. Iowa Net Operating Loss Carryforward						
13. Iowa Net Operating Loss Carryback						
14. Income Subject To Tax .....						
15. Computed Tax .....						
16. Minimum Tax (attach forms) .....						
17. Total Tax Liability .....						
18. Recomputed Tax Liability (line 17)						
19. Decrease In Tax (line 17 minus 18)		▲		▲		▲

Under penalties of perjury, I declare that I have examined this return, and attached schedules/statements, and, to the best of my knowledge, believe it to be true, correct and complete. If prepared by a person other than the taxpayer, the declaration is based on all information of which there is any knowledge.

Officer's Signature \_\_\_\_\_ Date \_\_\_\_\_ Title \_\_\_\_\_

Preparer's Signature \_\_\_\_\_ Date \_\_\_\_\_ Preparer's Phone \_\_\_\_\_

You must attach a copy of page one of the company's Iowa returns as filed and any Federal forms 1120X or 1139 filed for all periods involved with this claim.

Preparer's ID No. \_\_\_\_\_

Interest on claim will accrue starting on the date all required information is received by the department.

# IA 1139 INSTRUCTIONS

All amounts should be in whole dollars

## NOTE: Farmers should use form IA1139 Farm to carryback Iowa Net Operating Losses.

### General Instructions

Form IA1139 can be used only for the carryback of an Iowa capital loss, an Iowa net operating loss or an Iowa alternative minimum tax net operating loss. If any other changes are involved, form IA1120X must be filed.

Carryback claims must be filed within three years of the due date of the return producing the net operating loss or capital loss. Attach copies of page one of your Iowa return for all periods involved with this claim including the loss year and any federal claims involved (i.e. 1139 or 1120X). Include supporting documentation for a capital loss or alternative minimum tax loss (i.e. both Federal and Iowa alternative minimum tax schedules for the loss year and carryback years).

Iowa did **not** adopt the 5-year carryback provision for net operating losses incurred in 2001 and 2002 relating to the Federal Job Creation and Workers Assistance Act of 2002.

For tax years beginning after August 5, 1997, an Iowa net operating loss may be carried back two tax periods and carried forward 20 tax periods. Losses resulting from a casualty or theft loss or losses attributable to a presidentially-declared disaster area can still be carried back three years.

### Specific Instructions

(On the return, references to line numbers are bracketed.)

Corporation name and address and Federal T.I.N.: Check box if different than on returns as filed.

Tax Type: Check the appropriate box.

Loss Information: Check the appropriate box and provide the amount of Iowa loss. Show the remaining loss to be carried forward after this carryback. Indicate whether any year involved in this claim has been adjusted by Federal audit. If yes, include a copy of the Federal audit.

NOTE: In computing the Iowa net operating loss carryback for accrual basis tax returns, the net operating loss year should be reduced by 50 percent of the Federal tax refunds accruing to the loss year. If you are using filing status 2 or 3, the Federal refund is computed using the "Loss Producers" formula set forth on Schedule H, Computation of Federal Tax Refund/ Deduction. Even though the Federal rule on state refunds has changed, Iowa is not changing its position on the accrual of Federal refunds. We will still require the Federal refund to be accrued to the Iowa loss year return.

As Last Reported On: The figures used should be from the last form filed (i.e. IA 1120, IA1120A, IA1120X or IA1120F, 1139 claim for refund, amended return or last audit completed). Provide the form number of the last form filed or the date of the last Iowa audit.

**Note: Lines 1 through 13 do not need to be completed if the only change is an alternative minimum tax loss.**

1. Net Income: Iowa income as last computed, after additions and reductions on line 8 of the IA1120 or IA 1120A.

2. Iowa Capital Loss: Amount of loss from Federal return or refund claim.
4. 50 percent Federal Refund from Capital Loss: (accrual basis only) 50 percent of the amount from any applicable Federal claim. If refund is due to both a capital loss and a net operating loss, compute the amount attributable to the capital loss in the following manner:  $\text{Federal capital loss} \div (\text{capital loss} + \text{net operating loss}) \times \text{Federal refund} \times 50 \text{ percent}$ . **This line does not apply to IA1120F.**
6. Nonbusiness Income: Amount from line 9 IA1120, or from IA1120F and/or schedules, or as last computed.
7. Income Subject to Apportionment: Subtract line 6 from line 5.
8. Iowa Percentage: Amount from line 11 IA1120 or as last computed. For IA1120A enter 100%.
9. Income Apportioned to Iowa: Multiply line 7 by line 8.
10. Iowa Nonbusiness Income: Amount from line 13 IA1120, as last computed, or from IA1120F and/or schedules.
11. Income Before Net Operating Loss: Add lines 9 and 10.
12. Iowa Net Operating Loss Carryforward: Amount from line 15 IA1120, or line 9 IA1120A, as last computed, or from IA1120F and/or schedules.
13. Iowa Net Operating Loss: "As last reported" - loss previously carried back. "After carryback" - current period net operating loss plus previous loss.
14. Income Subject to Tax: Subtract lines 12 and 13 from line 11.
15. Computed Tax: Multiply line 14 by the following:

#### Corporation Tax

If Line 14 is:

Under \$25,000 .....	6%
\$25,000 to \$100,000 .....	8% minus \$500
\$100,000 to \$250,000 .....	10% minus \$2500
Over \$250,000 .....	12% minus \$7500

#### Franchise Tax on Financial Institutions

Total income subject to tax: 5%

16. Minimum Tax: Amount from IA4626, from IA4626F or as last computed. If the amount of minimum tax or minimum tax credit is changed, the original computation and the revised computation must be attached.
17. Total Tax Liability: Add lines 15 and 16.
18. Recomputed Tax Liability: Amount from line, 17 "after carryback."

**Preparer's ID No:** Enter the preparer's SSN, FEIN, or PTIN.

**Mail** completed form with applicable attachments to:

Examination Section  
Iowa Department of Revenue  
PO Box 10456  
Des Moines IA 50306-0456

**Questions, call:** 515/281-3114 (Des Moines, out of state) or 1-800-367-3388 (Iowa, Omaha, Rock Island/Moline only)

**E-mail:** [idr@idr.state.ia.us](mailto:idr@idr.state.ia.us)

**Web site:** [www.state.ia.us/tax](http://www.state.ia.us/tax)